

EXHIBIT 2

Ctrip CEO Interested in U.S. Potential and Sees a Brexit Boom



Dennis Schaal

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PHOTO CREDIT: CTRIP CEO JAMES LIANG SPEAKING ON CNBC ABOUT BUSINESS IN THE U.S. AND THE UK. CNBC

SKIFT TAKE

Would the world's second-largest online travel agency in market cap, Ctrip, entertain the idea of entering the U.S. market to complement its sites in mainland China, Hong Kong and Singapore? The x's and o's are unclear but the idea isn't as far-fetched as it might seem given Chinese investment in the U.S. and the Ctrip CEO's statements about his interest in the U.S. market

The CEO of China's Ctrip, the second largest global online travel agency in terms of market cap, finds a potential entry into the U.S. market "interesting."

Speaking with CNBC, James Liang, the chairman and CEO of Ctrip, which today focuses mostly on the Chinese domestic market, said there is a lot going on in the U.S., the world's "most dynamic economy," that "will be very interesting to us."

"U.S. is very interesting," Liang said. "It is more than just the leisure story. As I said, there are people sending their kids to the U.S. and other people buying houses. A lot of companies are trying to invest and do business in the U.S. With the largest economy and most dynamic economy in the world, there is just a lot of cross-traffic. So I think this will be very interesting to us."

In 2015, Ctrip took control of domestic rivals Qunar and eLong, and now has a market cap of \$21 billion, lagging the Priceline Group at nearly \$70 billion but surpassing Expedia's at \$17 billion. For comparison purposes, TripAdvisor's market cap is less than \$9 billion.

Although Ctrip has partnerships with Priceline, which is also a Ctrip investor, and Expedia, it isn't far-fetched to believe that Ctrip would one day want to tackle the U.S. market more aggressively than it currently is doing for outbound Chinese travelers. That's what is so intriguing about Liang's comments.

When it comes to another overseas market, the UK, Liang said Brexit -- the UK vote to leave the European Union -- is turning out to be positive for Ctrip.

"We see actually a lot more demand going to the UK now," Liang said. "At least it's perceived now that the UK is cheaper destination now. It's not going to be a negative fact for us. Actually it should be a positive fact for us."

When it comes to the consolidation that Ctrip executed in the Chinese online travel market last year, Liang believes that the heated discounting that characterized competition in years' past is just about over and that profits will improve.

Said Liang: "I think the price war is coming down this year because a lot of the hotel models were ... proven to be unsustainable. The price war is coming down. I think it is more healthy."



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